

# Senate bill gives state bigger role in LNG proposals

**Timm Herdt, Ventura County Star, 1-29-10**

SACRAMENTO — The California Senate on Thursday approved a bill that would give the state a larger role in monitoring and assessing future applications to build liquefied natural gas terminals.

Sen. Joe Simitian, D-Palo Alto, said he hopes the current lull in interest in such projects will enable lawmakers to put in place requirements for state oversight that did not exist three years ago, when a proposal by the Australian energy firm BHP Billiton to build a terminal off the Oxnard coast created a storm of controversy.

Since that time, natural gas prices have fallen and California's available supply has increased, dampening interest in building such terminals, which would allow natural gas from abroad to be imported into the state. There are eight LNG terminals in the United States, but the only such facility on the West Coast is along Mexico's Baja California coast.

"There were three years when we needed this bill, and three years when it was obvious we weren't going to get a bill while there were pending applications," Simitian said.

By acting now, he argues, the state will be in better position to assess LNG applications when and if industry interest in the projects returns.

The measure would require the state Energy Commission to maintain and regularly update a matrix on its Web site detailing all LNG proposals on the West Coast. It further requires that applicants affirm they have consulted with the Department of Defense. That became an issue in the BHP Billiton application, given concerns expressed by the Navy about how the project might impact missile testing and other activities out of Naval Base Ventura County.

Finally, the bill would require applicants to assess in environmental impact reports the greenhouse gas emissions their projects would generate.

The bill passed the Senate 25-9, with mostly majority Democrats in support. They were joined by Sen. Tony Strickland, R-Moorpark.